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CURRENT SUPPORT BRIEF

PRELIMINARY ESTIMATE OF 1961 CROP PRODUCTION IN THE
EUROPEAN SATELLITES

OFFICE OF RESEARCH AND REPORTS

CENTRAL INTELLIGENCE AGENCY

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PRELIMINARY ESTIMATE OF 1961 CROP PRODUCTION IN THE
EUROPEAN SATELLITES*

The earlier optimistic forecast of 1961 crop production in the European Satellites** has been dampened by the vagaries of nature and the organizational difficulties of collective farms. It is now estimated that the total production of grain will be about the same as last year or about 43 million metric tons, attaining even this level largely because of the excellent harvest of small grains--wheat, rye, barley and oats--in Poland. As shown in Table 1, (p.4) only Poland, Czechoslovakia, and Albania are expected to exceed last year's grain production. The production of corn, an important feed grain in the southern Satellites, may be the smallest since 1958, as shown in Table 2, (p.4). Production of potatoes, sugar beets, and forage crops also will be less than in 1960 except in Poland and Albania. A decline in the fodder supplies for 1961/62 will adversely affect the production and market availability of animal products throughout the Satellites by the spring of 1962. East Germany, Hungary, and Bulgaria are expected to encounter the most difficulty in meeting consumer demands for foodstuffs, especially for animal products and vegetables, during 1961/62.

Weather conditions, which had been generally favorable for the development of most crops throughout the Satellites during the spring, turned for the worse about mid-June. In the northern Satellites--East Germany, Poland, and western Czechoslovakia--rainy, cool weather prevailed until late August, complicating harvesting and delaying proper drying of small grains, hay, and rape. These conditions have increased harvesting losses, and the high moisture content of grain has lowered its quality for milling. In addition, cultivation of row crops was hindered, and the lack of sunshine has lowered the sugar content of beets. By contrast, from eastern Czechoslovakia south to Bulgaria less-than-normal precipitation has prevailed since early June, so that by mid-August near-drought conditions in parts of Hungary, Rumania, and Bulgaria had adversely affected the yields of all fall-harvested crops.

Poland, the only Satellite where private farming predominates, achieved the largest absolute increase in grain production in 1961. Under similar weather conditions, harvesting losses were larger in East Germany and Czechoslovakia than in Poland. Both East Germany and Czechoslovakia have officially admitted that the socialist farming units did not properly organize labor and machinery for field operations. Further more, Czechoslovakia, imitating the USSR, undertook two-stage grain harvesting, but the periodic rains prevented proper drying and losses were probably increased rather than decreased by this method. Therefore, the grain harvest in Czechoslovakia did not justify earlier expectations and could be even less than currently estimated. The grain harvest in East Germany is estimated to be the smallest since 1956.

Of the southern Satellites, only Albania will show an increase in grain production in 1961, as much as 50 percent, compared with the below-average year of 1960. Whereas for most of the southern Satellites the decline in total grain production was caused by a drop in corn production, in Bulgaria wheat production also declined. The decline in wheat yields was officially attributed to an infestation of stem rust

* This report is based on information available through 15 September 1961.
** See CIA/RR-CB-61-39, 20 July 61. C.

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and the use of less fertilizer than in 1960.

The total production of crops still to be harvested--potatoes, sugar beets, sunflowers, hay, and vegetables--in 1961 in all of the Satellites is estimated to be less than in 1960. The most serious shortfalls in the production of these crops is expected in East Germany and Bulgaria. Poland is estimated to have fared the best of the northern Satellites, and Albania of the southern Satellites. The tobacco crop throughout the Satellites is believed to be considerably below 1960 levels because of an outbreak of the blue mold disease.

The 1961 production of forage crops did not achieve planned levels, except possibly in Poland, and will be insufficient to carry over current levels of livestock numbers. This may result in a serious setback in the high priority livestock programs of East Germany, Hungary, and Bulgaria.

The European Satellite area will remain a large importer of grain in 1961/62, even though those Satellites that are expected to show an increase in grain production over 1960--Poland, Czechoslovakia, and Albania--are among the large importers. The larger production is still not sufficient to satisfy their domestic requirements. Of the major importers, East Germany will have the largest grain deficit in 1961/62. The shortfall in production of fodder crops in 1961 will adversely affect the livestock programs of most Satellites unless grain imports are increased over 1960/61 levels. Also, in spite of good bread-grain crops in the northern Satellites, the poor milling quality of the grain may necessitate imports of higher quality wheat for mixing.

It is estimated that Poland, in spite of a bumper harvest, will still need to import about one million tons of grain if livestock numbers and consumption of cereals are to be maintained at current levels. The recent U.S. Government decision to delay signing of a PL-480 agreement leaves Poland with import commitments for only 600,000 tons. Thus, unless Poland increases imports, the government will have to increase procurements of domestic grain by raising compulsory delivery quotas and/or increasing free market purchases to guarantee the bread supply of the non-farm population.

With the possible exception of Albania, no basic improvement is estimated in the per-capita availability of food during 1961/62, although 1960/61 was a year of sporadic shortages of livestock products and vegetables throughout the Satellites. Shortages of these foods are expected to continue and may worsen by the spring of 1962 in some Satellites. East Germany may experience the most serious food shortages, especially of potatoes and livestock products, unless supplemental imports of these commodities are forthcoming. The international situation caused scare buying of food staples, as recently reported in East Germany and Poland, and could bring additional controls on purchases of foodstuffs to prevent disruption of the distribution system. Should a similar situation develop in the southern Satellites some form of food rationing may be introduced.

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Table 1. Grain Production* in European Satellites

Satellite	Million metric tons		
	1956-60**	1960	1961***
Albania	.31	.24	.34
Bulgaria	3.44	3.85	3.43
Czechoslovakia	5.22	5.17	5.55
East Germany	5.32	5.50	5.00
Hungary	6.33	6.76	6.60
Rumania	8.00	8.53	8.21
Poland	13.40	13.00	14.30
Total	42.02	43.05	43.43

* Wheat, rye, barley, oats, and corn.

** Average.

*** Preliminary estimate.

Table 2. Corn Production in European Satellites

Satellite	Million metric tons		
	1956-60*	1960	1961**
Albania	.16	.11	.17
Bulgaria	1.03	1.24	1.00
Czechoslovakia	.47	.57	.60
Hungary	3.01	3.39	3.10
Rumania	4.02	4.43	3.85
Total	8.69	9.74	8.72

*Average.

** Preliminary estimate.

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Analyst:



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Sources:

This CSB is based upon a large number of sources which are on file in RR M/AG

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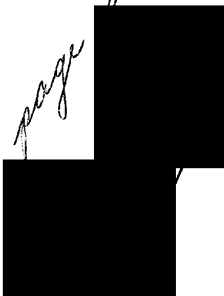
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